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1. A savings account has high liquidity because you can withdraw your money at any time without any penalty. A CD has low liquidity because once you put the money into the account you are not allowed to touch it till the allotted time is over and you are penalized if you do.
2. In order to earn higher interest you generally need to have accounts with low liquidity ensuring that the bank can use it for a period of time.
3. Money in market accounts are not insured by the FDIC as savings accounts are. Also the interest rates go up and down with the stock market.
4. At the current stage of my life no, not really because I don’t make to many big purchases. As I get older I’m sure I would. I guess an example of one could be if you went out to dinner and spent $50 on it, then realize when you get home you don’t have enough food for the rest of the week so you wish you had spent it on other food that would last you and not have eaten out.
5. Yes, They leave for work at 8:30 come home at 6. Have dinner with the fam. Watch some tv, then go to sleep and do it again the next day. The only work on the weekends in an occasional business call. And once every month a 3 day trip during the week to Maryland.